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SUBJECT: ISRAEL MEDIA REACTION

SUBJECTS COVERED IN THIS REPORT:

- 11. PM Netanyahu's Speech
- ¶2. Iran
- ¶3. Mideast Block Quotes Only:
- 11. PM Netanyahu's Speech
- ¶I. "Netanyahu's revolution"

Ari Shavit, senior commentator, wrote in the independent, left-leaning Ha'aretz (6/18): "A week ago my piece about the seven-word formula - a demilitarized Palestinian state alongside a Jewish Israeli state - appeared on this page. Prime Minister Benjamin Netanyahu adopted this formula, making it the cornerstone of Israeli policy.... However, he added two fundamental elements to the formula: a solid international guarantee that the Palestinian state is indeed demilitarized, and a clear Palestinian recognition of Israel's being a Jewish state.... He decided to break out of the corner and take the initiative. Netanyahu accepted the principle of dividing the land in a controlled manner to avoid an imposed partition. In order to prevent a swift, dangerous retreat to the 1967 borders he proposed a painful compromise. Thus he found himself uttering the two taboo words he had sworn he would never say: Palestinian state.... He realized that neither the world nor the Israeli public understand what Israel is fighting over.... Netanyahu grasped that when the battle line is the occupation and the settlements, Israel is in an inferior position.... Unlike them he is not trying to engineer a practical arrangement, but rather to establish peace on a clear, solid ideological foundation. ... He may or may not succeed.... He might lead the country to peace, or bring it to war. But he made a move of revolutionary significance. Netanyahu not only took a courageous personal step, he generated an intellectual, ideological turnabout. With the seven-word formula he changed the discourse on the conflict from its very foundations. He set an unprecedented challenge before the Palestinian nation and the international community. After the Bar-Ilan speech the question on the world agenda is not only when and where the Israelis will withdraw, but what the Palestinians, Arabs, Europeans and Americans will do to ensure that the great Israeli withdrawal does not end in disaster.

II. "He Also Considers Them a Nuisance"

Veteran columnist Uzi Benziman wrote in popular, independent Maariv (6/18): "The legitimacy of the settlement enterprise is already being eroded, not only in the eyes of Israeli society as a whole, but also in the eyes of the right wing camp itself.... When the prime minister-who is, as we recall, the Likud leader-declares his recognition of a Palestinian state on part of Judea and Samaria, he necessarily recognizes the possibility that part of the existing Israeli settlements will be compelled to hand over their land to this state... He admits before the whole world that the settlements are a nuisance, an illegitimate enterprise, and ways must be found now to minimize their damage.... The practical attitude of the Israeli governments towards the settlements pushes the state into an absurd situation: Even though an absolute majority of Israelis and their elected leaders recognize the burden that the settlements impose on the state and its welfare, they continue to maintain and cultivate them. This paradoxical conduct is made possible for known reasons...(the fear of governments over the generations to clash with the settler public, repressing the probability that a Palestinian state will be established one day, the cocky belief that it is possible to fool the entire world all the time), but the time has come to break free of it.... Netanyahu's speech this week determined what the settlements were for Israeli society; it now remains to determine the price of their evacuation.

12. Iran

I: "West Failed to Anticipate Magnitude of Iranian Protest"

Alex Fishman, Military Commentator, wrote in the mass-circulation, independent Yediot Aharonot (6/18): "Why do we have the feeling that all those Western experts and intelligence officials... simply missed a number of processes that were afoot within Iranian society and fell asleep on the job? We can only hope that the information in the West, and mainly in Israel, about the Iranian nuclear program is a bit more up to date and accurate.... The current unrest is being directed by conservative elites that are fighting against one another.... If it forcibly suppresses the demonstrations, Iran will enter a state of perpetual unrest.... The village fool in this story is President Barack Obama. That man thinks that he is playing the

role of president of the United States in some Hollywood disaster movie. He showed weakness in dealing with the Iranians when he passed up on Dennis Ross's services as his representative in talks with Iran. The Iranians demanded that Ross be ousted, and Obama capitulated, despite his commitment not to allow any preconditions to be set before the talks were held. In addition to Dennis Ross's ouster, the Iranians set another eight preconditions that they are demanding be met before the talks are begun. Then he threatened to impose harsher sanctions against Iran without first coordinating that course of action with the Russians. Russia laughed behind his back and has been sabotaging the process. Then he announced in Cairo that he was prepared, actually, to allow the Iranians to develop their nuclear capabilities on their own for peaceful purposes. Behind the scenes, the Americans are trying to sell the Iranians the old and idiotic idea that Iran will develop its nuclear program on Russian soil under Russian supervision. In tandem, the Americans are trying to sell the Iranians an idea by the World Bank about a peaceful nuclear program that will supply Iran with the fissionable materials it needs. And today, in light of the events underway in Iran, we see the leader of the free world stammering a few non-committal and irrelevant statements. That too is something that Israel needs to take into account.

II: "Iran Youth Bring Promise of Change to Islamic Regime"

Zvi Bar'el, senior Arab affairs commentator, wrote in the independent, left-leaning Ha'aretz (6/18): "Iran's young generation - which makes up 60 percent of the population and never experienced the Islamic Revolution nor identifies with the ideology behind it is channeling all of its bottled-up economic, social and democratic frustrations into the current demonstrations. At this point, U.S. President Barack Obama's rationale that Iran's policy won't radically change whether its president is Mousavi or Ahmadinejad is of secondary importance. Protests are without a doubt in favor of one symbol over another; in favor of a Green Revolution and a new dream, rather than for an Islamic Revolution.... At this crucial point, Khamenei has to decide how to react. He has three options: To sacrifice Ahmadinejad; to clash with protesters and shed blood; or to find a worthy compromise acceptable to Mousavi. It is highly doubtful that Khamenei will call for new elections, but he might ask Ahmadinejad to make a compromise "for the sake of national unity and the revolution's honor."... Such protests can get out of hand, be taken over by local leaders or simply dissipate - an outcome that would be a long-term defeat for reformists.... The expectation is that the regime will unbridle the Islamic Revolutionary Guards and order a forcible clampdown on the protests. The chances he will call for a compromise are also still considerable."

¶3. Midest

I. "In the Aftermath of his Cairo Speech

Dov Contorer, contributor, wrote in the Russian-language conservative daily Vesty (June 18):"In the aftermath of his Cairo speech, the US President came back home and posed for a picture during his telephone conversation with the Israeli Prime Minister, with his shoe soles facing the camera (and the interlocutor [PM Netanyahu]). Israelis can't say anything, because 'this is American style', however the Arabs will understand immediately how President Obama is treating PM Netanyahu.... This was a thought-through gesture that President Obama would have never let himself do to the Saudi King or President Mubarak. ... The Israeli side should find a way to convey its dissatisfaction to the Americans. If we don't want to have to deal with not only pressure, but also with growing political disrespect from the White House, we have to define what Israel believes to be unacceptable [behavior] towards it and its Prime Minister."

CUNNINGHAM